
Why Government Can't Build Things

Video Length: 5:29

Lesson Description:

Why can't the government build things efficiently? Why do taxpayer-funded projects like broadband, charging stations, and semiconductor factories often fail or fall behind, and cost much more than anticipated? This video explores government inefficiency, wasted money, and political favoritism, while showing how private companies often outperform government on such projects.

Objectives:

Students will be able to:

- summarize the key arguments presented in the video about government inefficiency.
- compare the effectiveness of government-led projects to private sector initiatives.
- formulate a reasoned argument for or against government intervention in infrastructure development.

Concepts & Key Terms:

Bureaucracy: a system of government or management with many rules, procedures, and levels of authority that can slow decision-making.

Efficiency: the ability to accomplish a task with minimal waste of time, effort, or resources.

Intervention: involvement by a government or organization in a situation to influence or control outcomes.

Subsidy: financial support provided by the government to businesses or organizations to promote certain activities or to keep the price of a good/service low.

Preview Activity:

Use Think, Pair, Share to have students answer and discuss these preview questions: What are examples of big projects the government has funded? Do you think they were successful? Why might private companies sometimes be better at completing projects than the government?

OR

Distribute copies of the K-W-L worksheet to the class. Have students fill in the K and W sections. After showing the video, have students complete the L section and answer the questions at the bottom of the worksheet.

Viewing Guide:

We recommend that teachers show the video twice: first to allow students to view the video and focus on the issues presented, and second to allow them time to complete the viewing guide. After they complete the viewing guide, allow students a few minutes to work in pairs to share and verify answers.

Answers to Viewing Guide

1. color
2. monopoly
3. Seven (7)
4. Micromanaging
5. your

Why Government Can't Build Things

Viewing Guide

Name _____

Date _____

Class _____ Period _____

Teacher _____

Directions: As you watch the video, fill in the blanks with the correct words.

1. You have to hire these certain people based on their _____, based on their sex, and you have to use unions.
2. Then, once it became clear that Starlink obviously did, the administration said it won't use Starlink because it's a _____.
3. And although Biden promised government would build 500,000 charging stations, two years later, how many have they built for \$7 billion?
_____.
4. If our government wants chips made in America, they should get out of the way.
_____ microchips just slows things down.
5. Once politicians are in power, they always want to do more with
_____ money.

Take a few moments to reflect on the video and answer these questions.

How do political agendas and regulations influence how government money is spent? _____

Is it fair for taxpayers to fund projects that are inefficient or fail to deliver results? Why or why not? _____

Discussion and Analysis

1. What examples of government projects are mentioned in the video?
2. What reasons does the video give for government inefficiency?
3. How does the government's approach to broadband development compare to that of private companies? Why?
4. What does Milton Friedman mean when he says people spend other people's money less carefully?
5. How do political agendas and regulations influence how government money is spent?
6. Why might private companies be faster at implementing new technology like Starlink?
7. What effects do diversity and equity mandates have on government-funded projects?
8. What is the cost per job for the government chip factory program, and why is it significant?
9. How do government regulations slow down progress on large-scale projects? Is there a way to balance regulation and quicker progress on these projects?
10. Why does the video suggest government intervention in markets (like subsidies) can cause harm?
11. What arguments are made for reducing or removing government subsidies?
12. How might private companies handle broadband expansion differently than the government?
13. What solutions does the video propose for improving infrastructure development? Do you have other ideas?
14. Do you agree that the free market is more effective than government intervention? Why or why not?
15. How would you design a system to ensure both efficiency and fairness in large infrastructure projects?
16. Do you think wasteful government spending erodes trust between citizens and the government? Why or why not?
17. When money is wasted on government projects, who is ultimately responsible, and how should they be held accountable?

Discuss These Lines from the Video:

Politicians, spending other people's money, wasted it.

Any company that wants funds to build broadband has to hire certain people based on their color, sex, and use unions.

The administration said it won't use Starlink because it's a monopoly.

Micromanaging microchips just slows things down.

Our government should stop subsidizing politically connected businesses.

Once politicians are in power, they always want to do more with your money.

Republican politicians also harm people when they try to improve on the free market.

Quotes for Discussion:

The government solution to a problem is usually as bad as the problem.

– Milton Friedman

The more the state 'plans,' the more difficult planning becomes for the individual.

– Friedrich Hayek

Government has three primary functions. It should provide for military defense of the nation. It should enforce contracts between individuals. It should protect citizens from crimes against themselves or their property. When government—in pursuit of good intentions—tries to rearrange the economy, legislate morality, or help special interests, the cost comes in inefficiency, lack of motivation, and loss of freedom.

– Milton Friedman

I think the government should be a referee, but not a player in the game...

Generally, government should just try to get out of the way and not impede progress.

– Elon Musk

Infrastructure is the backbone of economic growth. It improves access to basic services such as clean water and electricity, creates jobs and boosts business.

– Alok Sharma

Public infrastructure investment is a critical component of economic growth and job creation.

– Pres. Joe Biden

Government investment in infrastructure is crucial for public safety and quality of life.

– Stephanie Pollack

Activities:

1. Have students complete the K-W-L chart in class or for homework. (Recall that the K and W sections are to be completed before watching the video and the L section after watching the video.)

2. Have students complete the political cartoon activity in class or for homework.
3. Have students complete the PMI chart in class or for homework.
4. Have students complete and submit the Exit Ticket as they leave class.
5. Have students individually write a one-paragraph summary of the video, focusing on the main arguments and key points discussed.
6. In pairs, students create a chart comparing the strengths and weaknesses of government-led and private sector projects as presented in the video.
7. Divide the class into two groups for a debate on whether government intervention is necessary for infrastructure projects. Each group prepares arguments and counter arguments.
8. Students write a short journal entry reflecting on government efficiency and their agreement or disagreement with the video's conclusions.
9. In small groups, students analyze the cost examples from the video, such as the cost per job for chip manufacturing, and discuss whether the spending is justified.
10. Assign roles such as government officials, private business owners, and taxpayers. Students hold a mock meeting to decide how to implement a broadband project.
11. Individually, students draft a brief proposal for improving infrastructure development that balances efficiency and fairness.
12. In small groups, students research a real-world government-funded project and compare its outcomes to private-sector projects.
13. Have students select a provocative quote from the video and write a paragraph analyzing its meaning and implications.
14. Conduct a class poll before and after the video, asking whether students think the government or private companies should lead infrastructure projects. Discuss any shifts in opinion. Then send an email to Stossel in the Classroom and let us know the results! Did students change their minds?
15. In small groups, students brainstorm ideas for how governments and private companies could work together to improve infrastructure efficiency. Each group shares their ideas with the class.
16. Use ***Senator Rand Paul's 2024 Festivus Report*** on wasteful government spending. <https://www.hsgac.senate.gov/wp-content/uploads/FESTIVUS-REPORT-2024.pdf>
 - a. Begin class by handing out play money to students. (Print it out. Collect it at the end of class as play money makes for a good learning prop for many activities.

- [printable-play-money.html](#)) Then, acting as “Uncle Sam,” go around the room and collect at least 30% of the students’ money as taxes. Now tell them that you are going to spend their money on (choose your own favorite wasteful spending of money by government from the Festivus report) and ask how they feel/what they think about that.
- b. In small groups, students go through the report and choose one (or more) item(s) that they think demonstrate particularly wasteful spending.
 - c. OPTIONAL ACTIVITY - AI use – students can upload the report to a preferred/approved AI and get a summary or other helpful learning materials. (Google’s NotebookLM is very good at this, as is ChatGPT.) Have them require the AI to provide exact sources (page number of the report for example) and then verify the information. (Learning to not take what the AI says as absolute truth.) If necessary, demonstrate how to do this.
 - d. Have them further research the spending project. What was the original purpose and intended outcomes of the spending? What are the potential drawbacks and benefits?
 - e. Do they consider this spending necessary and justified? Why or why not? Could the money have been more effectively used in other ways? Would the money be even more effective staying in the taxpayers’ wallets and allowing them to spend their money in the ways they want to? (Do the students want their 30% in taxes in play money that you collected at the start of class, or are they willing to spend “their money” on this project?)
 - f. How does this spending mesh with what Milton Friedman said about spending other people’s money on other people? (See handout/poster in this guide about the 4 Ways to Spend \$.)
 - g. How can taxpayers help stop wasteful government spending? How can politicians stop wasteful spending?
 - h. Have the groups create a presentation on their wasteful spending projects and share with the rest of the class or school.

17. Friedman’s 4 Ways to Spend Money Activity (Poster/handout follows)

Objective:

Students will understand and apply Milton Friedman’s *Four Ways to Spend Money* concept by analyzing scenarios and discussing the incentives and efficiency of different spending approaches.

Materials Needed:

- Four labeled cards or signs: "Own money on self," "Own money on others," "Others' money on self," "Others' money on others."
- Prewritten spending scenarios (see examples below).

- Space for students to move around or use as a group activity at their desks.

Instructions:

Introduction:

Start by explaining Friedman's concept using relatable examples, such as buying your own lunch (own money on self) versus spending a government grant (others' money on others).

Game Setup:

Place the four labeled cards or signs in separate areas of the room.

Read aloud a scenario (or show it on a screen/handout).

Ask students to move to the area of the room that matches how the money is being spent in the scenario.

1. **Scenario Discussion:**

Once students are in their chosen areas, ask them to explain *why* they chose that category and discuss the incentives and efficiency in their scenario.

After each scenario, debrief as a class and explore how incentives impact spending decisions and outcomes.

2. **Reflection:**

Have students individually or in small groups discuss or write about how Friedman's concept might apply to government spending projects, as seen in the video.

Example Scenarios:

1. *You are buying a birthday gift for your best friend. Which category does this fall into?*
(Answer: Own money on others)
2. *A government agency uses taxpayer money to build a new park. Which category does this fall into?*
(Answer: Others' money on others)
3. *You receive a gift card and use it to buy a new jacket. Which category does this fall into?*
(Answer: Others' money on self)

4. *You save up your own money to buy a new phone. Which category does this fall into?*
(Answer: Own money on self)
5. *Your school gets a grant to fund free lunch for students. How is this money being spent?*
(Answer: Others' money on others)

Extension Activity:

Have students create their own scenarios and quiz each other in small groups, identifying the category and explaining the rationale.

Discussion Questions:

- Why do people tend to be most careful when spending their own money on themselves?
- How might government spending (other people's money, i.e. the taxpayers') on "others" be made more efficient?
- Can you think of a real-world example where spending others' money on others worked effectively? What about an example where it failed?



MILTON FRIEDMAN'S 4 WAYS TO SPEND \$\$

Who the Money is Spent On

Whose Money is Spent

| | Yourself | Someone Else |
|----------------|--|---|
| Yours | <p>Economize and seek highest value</p> <p>(Spend as little as possible to get as much / best quality as possible.)</p> | <p>Economize but don't seek highest value</p> <p>(Spend as little as possible, don't care too much about quality.)</p> |
| Someone Else's | <p>Don't economize but seek highest value</p> <p>(Spend as much as you want to get the best.)</p> | <p>Don't economize and don't seek highest value</p> <p>(Spend as much as you want and don't care about the quality.)</p> |

Name _____
Class _____ Period _____

Date _____
Teacher _____

Why Government Can't Build Things K-W-L Chart

Directions: Complete the **K** and **W** sections prior to watching the video. After you have seen the video, complete the **L** section and answer the questions below the K-W-L chart.

| K | W | L |
|---|---|---|
| What I know about government building projects... | What I want to know about government building projects... | What I've learned about government building projects... |

What surprised you the most about government building projects mentioned in the video? _____

Where does the government get the money to do projects? _____

Name _____

Date _____

Class _____ Period _____

Teacher _____

Why Government Can't Build Things PMI Chart

P = Plus: What might be some pluses of government managing projects like broadband and car charging stations?

M = Minus: What might be some minuses of government managing projects like broadband and car charging stations?

I = Interesting: What is interesting about government managing projects like broadband and car charging stations?

| + Pluses + | - Minuses - | I |
|------------|-------------|---|
| | | |

What do you think about the taxpayers' money being spent inefficiently on these types of projects? _____

If a private company built the car charging stations, would they be more cautious in how they spent money? Why or why not?

Name _____

Date _____

Class _____ Period ____

Teacher _____

Why Government Can't Build Things

Political Cartoon Activity

Directions: Use the political cartoon to answer the questions.



CartoonStock.com

How does this cartoon illustrate the inefficiencies of government spending that were highlighted in the video? _____

In what ways do government inefficiencies, like those suggested in the cartoon, impact the ability to complete large-scale projects successfully? _____

If you were tasked with reducing waste in government spending, what changes would you recommend to address the issues raised in both the cartoon and the video? _____

Name

Admit One

What did Milton Friedman mean when he said, "Very few people spend other people's money as carefully as they spend their own"?

Admit One

EXIT TICKET

Name

Admit One

What did Milton Friedman mean when he said, "Very few people spend other people's money as carefully as they spend their own"?

Admit One

EXIT TICKET

Name

Admit One

What did Milton Friedman mean when he said, "Very few people spend other people's money as carefully as they spend their own"?

Admit One

EXIT TICKET